

WEST PALM BEACH FIREFIGHTERS' PENSION FUND
MINUTES OF MEETING HELD
DECEMBER 3, 2013

Chairman David Merrell called the meeting to order at 9:02 A.M. in the Community Room at Station 3; 5050 Broadway Avenue, West Palm Beach, Florida. Those persons present were:

TRUSTEES

David Merrell, Chair
Brian Walker, Secretary
Guy Montante
Ron Frano

OTHERS

Audrey Ross, Resource Centers
Bonni Jensen, The Law Offices of Perry & Jensen
Troy Brown, The Bogdahn Group
Matt Hart, The Boston Company (TBC)
Joel Mittlelman, The Boston Company (TBC)
Rick Roberts, City of WPB Firefighter (retired)

PUBLIC COMMENTS

N/A

**INVESTMENT MANAGER REPORT: THE BOSTON COMPANY – TBC
(PRESENTED BY MATT HART & JOEL MITTELMAN)**

Mr. Hart welcomed himself back and reintroduced Mr. Mittlelman who is the strategy analyst for this plan's account with TBC. Mr. Hart briefly updated the board on TBC as a firm and noted that they are currently up to \$46.1B in assets with 227 employees and 128 clients. Since the last time TBC met with this board, they did have one research analyst who did depart from this portfolio's team and moved into a more centralized research area with the TBC.

Mr. Hart reviewed the funds performance for the quarter and the fiscal year ending September 30, 2013. For the quarter they are ahead of their benchmark at 5.62% versus 3.94%, and for the fiscal year they are in the same position at 24.98% versus the benchmark at 20.47%. Mr. Hart explained that this plan has outperformed 9 years out of the 10 years since they have been managing money for them. Mr. Middelman reviewed the top 5 and the bottom 5 holdings in the portfolio. He commented that they are currently underweighted to materials, financials, and energy, and also have an overweight to technology and health care. What they did not own during the quarter helped them out. Mr. Hart stated that TBC is optimistic about the future and they are positioned well going forward. TBC's outlook is that the market will continue to grow and remain positive, as the housing and the unemployment numbers continue to remain low.

Mr. Brown asked if the analyst that left this portfolio's team, will she be replaced. Mr. Hart stated that she will not be replaced as they already have enough dedicated research team members appointed to this portfolio. He commented that TBC also has a portfolio implementation team that consists of 6 members, and they are solely dedicated to transition new and old portfolios.

INVESTMENT CONSULTANT REPORT: THE BOGDAHN GROUP (PRESENTED BY TROY BROWN)

Mr. Brown reviewed the Fayeze/Brown transition that occurred in between meetings. He explained that the transition went very smooth and very fast. Since Fayeze does not trade a lot, the transition manager Abel Noser was able to transition the portfolios within one day. Mr. Brown briefly explained to the board again why they wanted to use a transition manager, and he noted that it was a huge cost savings to the plan. Abel Noser only charged a penny per share, so when the plan moved \$10M

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MEETING OF DECEMBER 3, 2013

it only costs them the fund \$2,720 (or around 15 basis points). There were a total of 85 positions that were transferred from Fayez to Brown within one day.

Mr. Brown updated the board on the plan's performance through November 30, 2013. They are already up 4.2% for the fiscal year beginning October 1, 2013, which puts that plan at \$174.5M in assets. He briefly noted that Abbey Capital is now outperforming their benchmark, and he commented that he was glad to see that the board stuck in there with them.

DISBURSEMENTS

The Board reviewed the disbursements presented for approval by the Administrator.

A motion was made by Guy Montante to approve the disbursements that were presented by the Administrator. The motion was seconded by Ron Frano and carried 4-0.

BENEFIT APPROVALS

The Board reviewed the applications for retirement for Brad Fabben and Ronald Lauth.

A motion was made by Ron Frano to approve the applications for retirement Brad Fabben and Ronald Lauth. The motion was seconded by Guy Montante and carried 4-0.

REPORTING OF PLAN FINANCIALS

The Administrator provided the Board with an unaudited financial statement and an income and expense report for review through the month of September 2013.

The Board received and filed the un-audited financial statements through the month of September 2013.

ATTORNEY'S REPORT: THE LAW OFFICES OF PERRY & JENSEN (PRESENTED BY: BONNI JENSEN)

Ms. Jensen stated that the only item she has for today is for the Trustees to execute her revised contract addendum in regards to her fee increase that the board accepted at the last meeting.

ADMINISTRATOR REPORT: RESOURCE CENTERS (PRESENTED BY: AUDREY ROSS)

N/A

OTHER BUSINESS

There being no further business and the next Pension Board meeting having been rescheduled to Thursday January 9, 2014 @ 1:30PM, the meeting adjourned at 4:16PM.

Brian Walker, Secretary